

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK**

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LEE E. BUCHWALD, as Chapter 7 Trustee for  
Magnesium Corporation of America and Related  
Debtor, Renco Metals, Inc.,

Plaintiff,

vs.

THE RENCO GROUP, INC., a Delaware  
corporation; K. SABEL HOLDINGS, INC., an  
Alabama corporation; KPMG PEAT  
MARWICK LLP; DONALDSON, LUFKIN &  
JENRETTE SECURITIES CORPORATION;  
HOULIHAN LOKEY HOWARD & ZUKIN;  
CADWALADER, WICKERSHAM & TAFT,  
LLP; IRA LEON RENNERT; ROGER L. FAY;  
JUSTIN W. D'ATRI; DENNIS A.  
SADLOWSKI; MICHAEL C. RYAN;  
MICHAEL H. LEGGE; RON L. THAYER;  
TODD R. OGAARD; LEE R. BROWN;  
HOWARD I. KAPLAN; KEITH SABEL;  
UNIDENTIFIED TRUSTEES of Trusts  
Established by Ira Leon Rennert; and DOES I  
through XX,

Defendants.  
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Case No. 1:13-CV-07948-AJN

**DECLARATION OF SCOT C.  
STIRLING IN SUPPORT OF  
PLAINTIFF TRUSTEE'S  
MOTION TO ALTER OR  
AMEND JUDGMENT RE  
AWARD OF  
PREJUDGMENT INTEREST**

Scot C. Stirling, an attorney admitted *Pro Hac Vice* to practice before this Court, declares under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the following is true and correct:

1. I am an attorney in the law firm of Beus Gilbert PLLC, attorneys for Plaintiff Lee Buchwald as Chapter 7 Trustee for Magnesium Corporation of America and Related Debtor, Renco Metals, Inc., in the above-entitled proceeding. I am fully familiar with the statements set forth below, and I submit this declaration in support of Plaintiff Trustee's Motion to Alter or Amend Judgment Re Award of Prejudgment Interest.

2. Attached hereto as Exhibit A is a true and correct copy of graphs showing the yields to worst for three BofA Merrill Lynch High Yield Indexes for the period from 31 December 1996 to 31 December 2014, representing the data published at the St. Louis Federal Reserve website at <https://research.stlouisfed.org/fred2/categories/32347>, for B-rated bonds <https://research.stlouisfed.org/fred2/series/BAMLH0A2HYBSYTW> for BB-rated bonds <https://research.stlouisfed.org/fred2/series/BAMLH0A1HYBBSYTW> and for the wider high-yield index <https://research.stlouisfed.org/fred2/series/BAMLH0A0HYM2SYTW> for that period.

3. Attached hereto as Exhibit B is a true and correct copy of a graphs showing the yields to worst for three BofA Merrill Lynch US High Yield Indexes for the period from July 2000 to 31 December 2014, representing the data published at the St. Louis Federal Reserve website at <https://research.stlouisfed.org/fred2/categories/32347>, for B-rated bonds <https://research.stlouisfed.org/fred2/series/BAMLH0A2HYBSYTW> for BB-rated bonds <https://research.stlouisfed.org/fred2/series/BAMLH0A1HYBBSYTW> and for the wider high-yield index <https://research.stlouisfed.org/fred2/series/BAMLH0A0HYM2SYTW> for that period.

4. Attached hereto as Exhibit C is a true and correct copy of a Standard & Poor's Report titled "2011 Annual U.S. Corporate Default Study And Rating Transitions," available at

<http://www.standardandpoors.com/ratings/articles/en/us/?articleType=HTML&assetID=1245331026864>.

5. Attached hereto as Exhibit D is a true and correct copy of a Moody's Report titled "Corporate Default and Recovery Rates, 1920-2010," available at <http://efinance.org.cn/cn/FEben/Corporate%20Default%20and%20Recovery%20Rates,1920-2010.pdf>.

Dated: April 20, 2015

s/ Scot C. Stirling

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